Municipal Affairs

Business Plan 1999-2000 to 2001-02 - *restated*

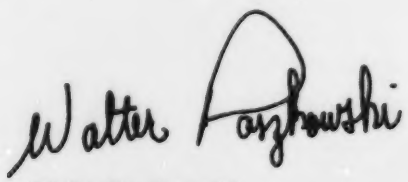
Accountability Statement

As a result of government reorganization announced on May 25, 1999, the Ministry Business Plans included in Budget '99 have been restated to reflect the new Ministry organizations as at November 17, 1999.

The restated Business Plan for the Ministry of Municipal Affairs for the three years commencing April 1, 1999 was prepared in accordance with the Government Accountability Act and the government's accounting policies. All of the government's policy decisions as at February 23, 1999 with material economic or fiscal implications have been considered.

The Ministry's priorities outlined in this Business Plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this Business Plan.

For information, the restated Business Plan includes 1999-2000 Second Quarter forecast information that reflects developments that have occurred during the 1999-2000 fiscal year.



Walter Paszkowski
Minister of Municipal Affairs
November 17, 1999

Mission

Municipal Affairs helps ensure public confidence in local government; the provision of comprehensive safety systems; and services for disaster and emergency situations. The ministry also supports open and accountable government and the protection of privacy for Albertans through the *Freedom of Information and Protection of Privacy Act*.

Introduction

Alberta has one of the most vibrant economies in Canada. With this growth comes opportunities and challenges for Albertans, as well as added pressures on Municipal Affairs' core businesses. This business plan is a summary of these pressures and the ministry's response to them.

Commitment to Leadership for Municipalities
All municipalities are struggling to meet the challenges of change, particularly with an increased demand for services and infrastructure. Increasingly, municipalities look to the ministry for leadership in developing dynamic communities and advocating the role of local government. Building on a foundation of a responsive and accountable tax policy and effective legislation, the ministry will work with municipalities to help strengthen their contribution to their citizens' quality of life.

Key Directions

Government Goals	The ministry's activities will support the government's goals for the benefit of all Albertans and Alberta's communities.
Accountability	The ministry's accountability framework will guide those agencies delivering services for the ministry.
Partnerships	The ministry will establish, where appropriate, partnerships for more effective and cost-efficient service delivery.
Communications	The ministry will ensure good communication with its customers and partners and maintain strong working relationships.
Flexible Solutions	Service models will target areas of greatest need and will be flexible to encourage innovation, cost efficiency and meeting customer needs.

The majority of the strategies in this business plan support the recommendations of the Growth Summit and are identified by an asterisk. The strategies also support government goals, cross-government initiatives, and goals and strategies in other ministries' business plans and/or joint business plans such as the Business Plan for Alberta's Children.

Cross-Government Initiatives

Albertans benefit when ministries work together to provide programs and services. While each of the ministry's four core businesses have their own specific goals and strategies, many involve initiatives that require consultation and/or direct involvement with other ministries. Some of the more significant cross-government initiatives include:

Initiatives where Municipal Affairs plays a Lead Role:

Municipal-Provincial Roles and Responsibilities
Municipal Affairs and Justice will begin a new initiative to clarify the relationship between municipalities and the province. Consultations among the province, municipalities and other stakeholders are expected to result in a renewed partnership for the 21st century.

Alberta School Foundation Fund - Property Tax Requisition Component
Property taxes are a major source of school funding — $1.3 billion annually. Municipal Affairs provides leadership in the administration of the requisitioning component of the Alberta School Foundation Fund in conjunction with Learning and Treasury. Each year, the ministry calculates the amount each municipality must collect from property taxpayers. The amount requisitioned is based on equalized assessments calculated by the ministry for each municipality.

The Alberta Capital Region Governance Review
The Minister has started an innovative discussion process with 23 Alberta Capital Region municipalities on how to achieve future excellence in local governance in the Capital Region. In support of this process, an interdepartmental committee will undertake a comprehensive review of how the province can support the Capital Region's partnership, process, and decisions for improvement in the future.

Coordination of FOIP Legislation, Policy and Training
The *Freedom of Information and Protection of Privacy Act* affects every government department, as well as local public bodies in the health care and education sectors. In the fall of 1999 it will be extended to post-secondary institutions and the municipal sector as well. The Information Management and Privacy Branch coordinates legislative and training initiatives for all public bodies covered by the Act, and provides related policy for all provincial government departments.

Initiatives where Municipal Affairs plays a Supporting Role

Alberta Infrastructure Road Study
Infrastructure is undertaking a province-wide assessment of the rural road system that will examine its current condition, forecast its future state, and make recommendations based on the study. The ministry is part of an advisory committee which has been established to develop the process of data collection, analysis and recommendations. This study will provide Infrastructure with valuable information to examine program disentanglement.

Intensive Livestock Operations Review
Conflict exists among intensive livestock proponents and operators, neighbouring landowners, stakeholder organizations, and municipalities over the approval and operation of intensive livestock facilities. The regulatory framework for intensive livestock facilities is being reviewed by an interdepartmental committee chaired by Agriculture, Food and Rural Development. Municipal Affairs, Health and Wellness, and Environment are all participating in the review.

Flood Plain Development Review
In 1998, the ministry prepared a study of planning and development controls related to flood plains. The ministry is participating on an interdepartmental committee, chaired by Environment, which will work towards developing a comprehensive flood risk management strategy.

Ministry Core Businesses

Core Business #1 - Local Government Services

To ensure Public Confidence in Local Government

In today's rapidly changing environment, Albertans require dynamic, innovative and sustainable local governments that are responsive to the public, business, other levels of government, and each other. The Local Government Services Division listens to citizens and municipalities, and works to strengthen the contribution local governments make to the quality of life for Albertans. A positive business environment is promoted to encourage economic growth. By building on each other's strengths, our partnerships with other levels of government allow us to be efficient, accountable, fiscally responsible, and to advocate the role of local government.

The Local Government Services Division is committed to its mission of ensuring public confidence in local government. It will work to achieve this mission through the broad mandate of providing assessment standards, policy development, advisory support, and legislative improvements. Success in achieving this mission depends on four critical factors. First, assessment standards and enforcement measures will be enhanced to support a responsive and accountable tax system. Second, policies will be developed to advance improved local governance. Third, advisory and financial support will be provided to improve the operations and efficiency of municipalities. Fourth, the needs of Albertans will be balanced to ensure the adequacy and fairness of legislation.

The following principles will guide Municipal Affairs' relationship with municipalities and their residents. The ministry supports public expectations that:

- all levels of government will work cooperatively to enhance the quality of life for Albertans
- municipal governments are responsible to their constituents for their actions and activities
- municipalities play a major role in providing the infrastructure and services required for a good quality of life and safe communities
- healthy, accountable and effective municipal governments are essential to meet local needs and preferences

- elected and appointed officials should strive to provide superior service by continually upgrading their skills and engaging in professional development
- the ministry will identify, promote and support forms of local governance and regional initiatives that best facilitate the long-term prosperity and well-being of Albertans
- the ministry will ensure that property assessments are consistent and equitable
- the ministry will provide timely leadership and support.

Goal #1 Enhance the current property assessment system to ensure efficiency and uniformity

Albertans require a fair and stable property assessment system to ensure that properties in the province are assessed in an efficient and consistent manner. The ministry will lead several strategies to strengthen the overall assessment process. Improvements to the system and its application will result in a better understanding of assessment and more accurate assessments.

Key Strategies	Time Frame
• Review the purpose, function, and need for an equalization review process.	1999-2000
• Increase efforts to enforce assessment standards to ensure compliance.*	1999-2000
• Expand the international award-winning "best practices" manual to guide the profession in conducting assessments.*	1999-2002
• Develop an assessment audit handbook to ensure consistency of audits and to establish benchmarks for audits.*	1999-2000
• Develop options and implement recommendations for improving the efficiency and timeliness of the assessment appeal process.*	1999-2002
• Implement government-approved recommendations from MLA committees on farm and industrial assessment such as:*	
◦ conducting a farm property assessment impact study	1999-2001
◦ implementing a process for the continual update of regulated rates	1999-2000
◦ reviewing and implementing depreciation standards.	1999-2000
• Prepare accurate linear assessments by improving the system for appropriate adjustments to assessed property values.*	Ongoing
• Prepare equalized assessments within legislative time frames.*	Ongoing
• Audit the valuation of all provincially-owned properties to ensure the accuracy of Grants in Place of Taxes.*	Ongoing
• Enhance assessment standards and procedures and provide timely advice to ensure practices and methodologies are current.*	Ongoing

* *Denotes strategies that support the Growth Summit recommendations*

Performance Measures:

1) Percentage of municipal assessment rolls which meet the provincial standards for procedures, uniformity and equity. *The target for this measure is 95%*
2) Number of equalized assessments that are successfully appealed to the Municipal Government Board. *The target for this measure is 1%*
3) Client satisfaction survey on appropriateness, adequacy, timeliness, and quality of services provided (also applies to Goals #3 and #4). *The target for this measure is 85%*

Goal #2 Provide leadership that ensures the provincial property tax policy system is responsive and accountable

Albertans' confidence in local government is associated with an acceptable property tax system. Most property taxpayers share in funding an education tax system which has reduced inequalities among some taxpayers but created inconsistencies for others. The ministry will provide the necessary leadership to ensure that all properties in the province are taxed in a consistent manner.

Key Strategies	Time Frame
• Encourage innovation that supports tax policies which are responsive to the changing needs of Albertans.*	Ongoing
• Prepare annual requisitions, forecast tax revenues, and develop education tax requisition policies in partnership with Treasury and Learning.*	Ongoing
• Work together with Learning on a communications plan to address public concerns, issues and requests for information regarding the Alberta School Foundation Fund.*	Ongoing

Performance Measure:

1) Client satisfaction with the accuracy, adequacy and appropriateness of services provided.

Goal #3 Provide effective leadership and support to encourage municipalities to meet Albertans' expectations of local government

Municipal governments must respond to the changing needs and expectations of their residents. The ministry will assist municipalities by providing effective leadership and support. The ministry's role is to identify and respond to emerging issues and new directions. Innovative program initiatives, such as the Municipal 2000 Sponsorship Program, will continue. The ministry will adopt a wide range of strategies, from direct intervention to day-to-day advice, in ensuring municipal governments meet their obligations to their citizens.

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* *Denotes strategies that support the Growth Summit recommendations*

Key Strategies	Time Frame
• Encourage effective and efficient local government by providing guidance on financial management issues and administering grant programs, for example:*	
◦ Municipal 2000 Sponsorship Program which targets limited-term assistance to specific municipal needs including promoting inter-municipal cooperation and innovative projects	1999-2002
◦ Unconditional Municipal Grant Program which provides ongoing financial assistance in support of municipal programs*	Ongoing
◦ Grants-in-Place-of-Taxes Program which provides grants in place of taxes on property owned by the province	Ongoing
◦ Municipal Debenture Interest Rebate Program which subsidizes the interest on certain borrowing from the Alberta Municipal Financing Corporation.	Ongoing
• Review municipal-provincial roles to facilitate the development of a more positive relationship and develop a provincial strategy to ensure that municipalities have the tools to carry out their responsibilities appropriately.	1999-2002
• Promote a smooth transition into the next millennium by encouraging municipalities to address Year 2000 issues.*	1999
• Assist citizens in the development of local government in national parks.*	1999-2002
• Implement the Excellence in Local Government Program to encourage and promote municipalities in pursuing excellence.*	Ongoing
• Develop and coordinate educational strategies for assessment professionals, municipal administrators, elected officials, and Municipal Affairs' staff. This includes:*	
◦ assessment review board training	1999-2000
◦ assessor competency training	1999-2002
◦ job exchange program	1999-2000
◦ "Muni-Mall", the virtual on-line community	Ongoing
◦ Assessment Valuation Steering Committee workshops.	Ongoing
• Provide municipal administration and management advice to local governments and citizens.*	Ongoing
• Support inter-municipal cooperation and self-directed dispute resolution through mediation and facilitation.*	Ongoing
• Provide assistance to municipalities and citizens engaged in developing innovative strategies for more effective governance, e.g., Alberta Capital Region Governance Review.*	Ongoing
• Encourage participation and communication with local governments by strengthening Albertans' knowledge and confidence in local government.*	Ongoing

* *Denotes strategies that support the Growth Summit recommendations*

Performance Measures:

1) Percentage of satisfied users of dispute resolution service. *The target for this measure is 80%*
2) Percentage of eligible municipalities participating in the grant programs. *The target for this measure is 90%*
3) Survey of Albertans' level of public confidence with local governments. *The target for this measure is 75%*

Goal #4 Provide effective legislation and processes to enhance the ability of municipalities to meet the needs of Albertans

Local governments try to balance the diverse interests of Albertans. The ministry provides leadership in the establishment of an effective governance model and a legislative framework to enable municipalities to operate successfully. The ministry will ensure appropriate decision-making processes are followed to protect the public interest.

Key Strategies	Time Frame
• Recommend changes to improve legislation, where possible, in support of innovative approaches to governance, service delivery, and assessment.*	Ongoing
• Advocate improvement in the provision, coordination and delivery of programs, policies, and services by other government ministries, agencies and other stakeholders to support effective local government, e.g., Flood Plain Development Review, and Intensive Livestock Operations Review.*	Ongoing
• Develop measures of municipal performance that may be used by councils in reporting to their citizens.*	Ongoing
• Initiate reviews of municipalities in financial or organizational risk.*	Ongoing
• Promote improved intra-municipal complaint and dispute management procedures.*	Ongoing
• Respond to public requests for investigation and remedial action.*	Ongoing

Performance Measure:

1) Survey of stakeholders' satisfaction with the consultation process for changes to legislation and regulations. *The target for this measure is 80%*

* *Denotes strategies that support the Growth Summit recommendations*

Core Business #2 - Information Management and Privacy

Maintain a legislative framework that balances access to information with protection of privacy for Albertans.

Goal #1 Fair and effective access to information and protection of privacy.

Key Strategies	Time Frame
• Support the local public bodies in the implementation of the *Freedom of Information and Protection of Privacy (FOIP) Act*. The extension of the FOIP legislation began in September 1998 and will continue through October 1999.	1999-2001
• Respond to the results of the Select Special Committee of the Legislature's review of the FOIP Act. The public review was conducted from March to December 1998, with legislative amendments expected in 1999.	1999-2001
• Consult and coordinate with other government ministries in all matters related to the legislation, and represent the Alberta Government in federal-provincial consultations on proposed federal privacy legislation for the private sector.	Ongoing

Performance Measure:

1) The percentage of FOIP requests completed by government public bodies in 60 days or less - This measure provides evidence that government public bodies are complying with the access provisions of the FOIP Act. *The target for this measure is 92%*

Core Business #3 - Safety Services

Promote quality Safety Services throughout the province.

Goal #1 Provide a safety services system, through our partners, that is effective, accountable and affordable.

Key Strategies	Time Frame
• Increase public awareness and understanding of the purpose of codes and standards adopted under the *Safety Codes Act*.	Ongoing

* *Denotes strategies that support the Growth Summit recommendations*

Key Strategies	Time Frame
• Encourage municipalities, corporations and other partners to participate in the administration of the safety system. Ensure the roles and responsibilities of all partners are clearly understood and support our safety needs.	Ongoing
• Develop policies and procedures, in conjunction with the Safety Codes Council, to ensure safety standards are consistently applied throughout the province.	Ongoing
• Develop and implement accountability programs using a risk management approach that will monitor the effectiveness of safety programs.	1999-2000
• Participate in the ongoing development, maintenance and adoption of national and international codes and standards, in consultation with the public, industry, other jurisdictions and the Safety Codes Council.	Ongoing

Performance Measure:

1) The percentage of assessed organizations administering the *Safety Codes Act* that achieve a satisfactory performance rating, as defined by the monitoring program. *The target for this measure is 90%*

Core Business #4 - Disaster Services

Provide support to ensure municipalities are prepared to deal with emergencies and disasters; and managing provincial response programs to real-event disasters.

Goal #1 Supporting Responses to Major Disasters and Emergencies

Key Strategies	Time Frame
• **Prepare for Emergencies** - Municipal Affairs will continue to work with our municipal partners to develop and test their emergency plans and enhance their preparedness for disasters and emergencies. We will also continue to work with the municipalities and private industries to ensure that they are prepared to respond effectively to any contingencies that may result from Year 2000 technology problems.	Ongoing
• **Respond to Disasters** - The ministry will ensure the readiness and reliability of the Government Emergency Operations Centre, and ensure staff respond quickly and effectively to assist Albertans in disasters and major emergencies.	Ongoing
• We will also continue to work with all ministries, especially Environment, in responding to disasters and emergencies such as forest fires and flooding. As well, work will continue with Resource Development and Environment with respect to mapping of flood plains for use in determining future eligibility under disaster assistance programs.	Ongoing

Key Strategies	Time Frame
• **Negotiate with the Federal Government** - Municipal Affairs will continue discussions with the federal government to revise the criteria for the Federal Disaster Financial Assistance Arrangements to ensure consistent application across Canada.	Ongoing

Performance Measure:

1) **Effectiveness of Emergency and Disaster Response** - This measure focuses only on the ministry's response to applications under the disaster assistance programs. It is defined as the percentage of claims where a damage assessor arrives on site and begins processing the claim within 30 days of a claim being received. The results and targets are based on the assumption that the site is accessible by the assessors. Immediate response to an emergency or disaster is provided by the local jurisdiction, with the ministry providing overall coordination of efforts. *The target for this measure is 100%*

Support Services

The ministry's mandate includes responsibility for four very distinct core businesses, the activities of which are carried out by three operating divisions. Staff from five specialized areas including Finance and Administration, Human Resource Services, Communications, Corporate Services, and Legal Services, provide important support to the operating divisions in achieving their business plan goals and strategies. The ministry is committed to ensuring good communications with its customers, partners and staff.

The staff are unique in Municipal Affairs in that they must be knowledgeable of several different areas and flexible enough that they can easily move from one area to another when the need arises. One of the priorities over the course of this three-year business plan is to maximize the flexibility of the ministry's human resources by ensuring the knowledge, skills and abilities are in place to accomplish current and future business plan goals. Continuous learning and staff development are encouraged. This is even more important today to meet the day-to-day challenges of a growing economy which has placed increased demands on staff.

Some of the key ministry-wide initiatives that will be undertaken in this business plan are in the areas of human resource development and information systems. They include:

Corporate Human Resource Development Strategy

A Corporate Human Resource Development Strategy is being implemented across government in response to the Growth Summit recommendations. It is intended to address issues such as the overall aging of the public service, stiff competition for scarce resources and rapidly changing skill needs.

As part of our Human Resources Plan, the ministry will undertake initiatives that will achieve the strategic intent of this government-wide strategy. This will include initiatives in the areas of corporate learning, leadership development and recruitment.

Information Systems

The ministry will continue to develop its information systems to support its core businesses. A solid infrastructure, robust external communications capability and current applications are necessary to ensure the ministry can successfully meet its goals. Of particular importance is the need to continue to improve communication with municipalities and other customers through activities like the "Let's Get Wired" project - a project to expand direct connection and the sharing of electronic information.

Regulatory Reform

The ministry's regulatory sunset plan outlines a number of regulations that are scheduled for review from 1999 to 2001. The result will be a reduction in the number of regulations the ministry administers, and more effective regulation where it is needed. This will contribute to the government's goal to eliminate all unnecessary regulation. The ministry is committed to reviewing the remaining regulations on an ongoing basis.

MUNICIPAL AFFAIRS
MINISTRY INCOME STATEMENT
(thousands of dollars)

	Comparable 1998-99 Actual	Restated 1999-2000 Budget	1999-2000 Forecast	Restated 2000-01 Target	Restated 2001-02 Target
REVENUE					
Internal Government Transfers	10,000	10,000	10,000	10,000	10,000
Transfers from Government of Canada	897	769	4,384	420	420
Investment Income	57	-	-	-	-
Premiums, Fees and Licences	793	469	778	459	459
Other Revenue	1,748	1,305	1,332	1,307	1,307
MINISTRY REVENUE	13,495	12,543	16,494	12,186	12,186
EXPENSE					
Program					
Ministry Support Services	7,301	7,187	7,187	7,203	7,322
Municipal Programs	117,363	113,964	113,252	114,069	114,715
Safety Services	4,990	5,325	5,575	5,385	5,473
Disaster Services	4,007	2,556	11,706	2,094	2,094
Freedom of Information and Protection of Privacy	870	950	1,037	962	974
Municipal Government Board	2,122	1,869	2,244	1,884	1,958
Valuation Adjustments	200	-	-	-	-
MINISTRY EXPENSE	136,853	131,851	141,001	131,597	132,536
Gain (Loss) on Disposal of Capital Assets	61	-	-	-	-
MINISTRY NET OPERATING RESULT	(123,297)	(119,308)	(124,507)	(119,411)	(120,350)

CONSOLIDATED NET OPERATING RESULT (thousands of dollars)	Comparable 1998-99 Actual	Restated 1999-2000 Budget	1999-2000 Forecast	Restated 2000-01 Target	Restated 2001-02 Target
Ministry Revenue	13,495	12,543	16,494	12,186	12,186
Inter-ministry consolidation adjustments	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Consolidated Revenue	3,495	2,543	6,494	2,186	2,186
Ministry Program Expense	136,853	131,851	141,001	131,597	132,536
Inter-ministry consolidation adjustments	-	-	-	-	-
Consolidated Program Expense	**136,853**	**131,851**	**141,001**	**131,597**	**132,536**
Gain (Loss) on Disposal of Capital Assets	61	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(133,297)	(129,308)	(134,507)	(129,411)	(130,350)